9 January 194

MEMORANDUM FOR: Deputy Director/Intelligence

Attn:

SUBJECT:

25X1

Progress Report for 1952

REFERENCE:

Memorandum dated 8 December 1952 from Acting

DD/I on Progress Report on MSC 50

1. In the Office of Current Intelligence, CIA now hap a tested organization for the production of current intelligence from all sources. This organization is unique in the intelligence community.

- 2. The poor quality of information received in CIA of the centers of Communist power is our primary concern.
- a. Far from seeing any improvement of our position in the intelligence war with the Soviet Union, we face the solering possibility that we have in fact suffered a relative weakering of our position and are losing the intelligence war. The Soviet socurity system has apparently withstood our best attacks to date on a front where the very virtue of democratic nations is itself a vulnerability. We do not receive information which can yield a steady and reliable insight into the thoughts, decisions, actions and intentions of the Kremlin.
- b. Improvements in State Department reporting and in other kinds of reporting from areas outside the borders of Soviet control do not compensate for the gradual deterioration in the quality of information received on the Soviet Bloc.

For Example, current intelligence on the Soviet Army as a whole is largely conditioned by what little we can almost literally see of it in Eastern Germany and Austria. We do receiv occasional bits of information which can be associated with units in the Soviet Union proper, but our latest reliable information on

Approved For Release 2008/06/03: CIA-RDP80R01731R003500120002-3

-2-

the Soviet order of battle as a whole is three or four years of it. We may know that a given division is probably still located at a certain place in the interior but our current information is as poor that we do not know whether the division now consists of one regiment or of three regiments nor do we know at what strength in either case.

- 3. In the peripheral and underdeveloped areas outside the borders of Soviet centrol, we are disturbed by the paucity of good information in depth and detail on the popular movements copposed to the officialdom in the capitals.
- 4. Mecessary improvement in quality of information received will depend to a large extent on whether or not the newly established National Security Agency is successful in accomplishing to mission. In the case of the Soviet Union and China, we are completely dependent on the National Security Agency.

HUNTINGTON D. SHELDON Assistant Director Current Intelligence